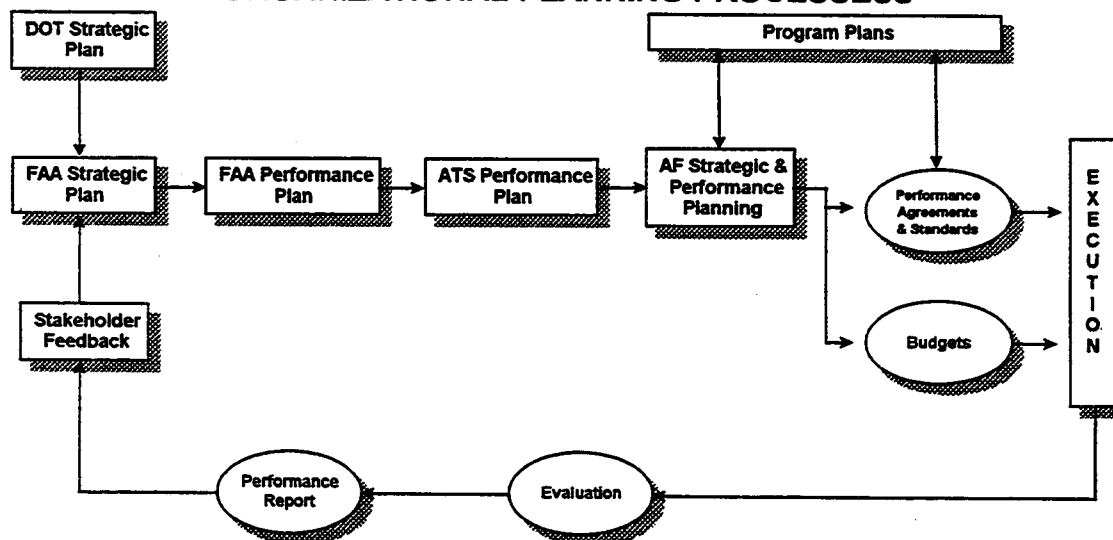


1. **PURPOSE.** This order establishes a process for integrated planning and performance management within Airway Facilities (AF) in response to the requirements of the Government Performance and Results Act of 1993 (GPRA).
2. **DISTRIBUTION.** This order is distributed to the division level in Airway Facilities in Washington headquarters and the Office of Business Information and Consultation, to the branch level in the regional Airway Facilities divisions, and a standard distribution to all Airway Facilities field offices and facilities.
3. **DEFINITIONS.** Appendix 1, Definitions, contains definitions of terms applicable to this order.
4. **BACKGROUND.** The GPRA requires Federal agencies, including the Federal Aviation Administration, to:
 - a. Develop strategic plans.
 - b. Prepare annual performance plans.
 - c. Report annually on actual performance.
5. **OBJECTIVES.** AF will implement processes and procedures consistent with the requirements of the GPRA through an integrated planning and performance management process as described herein. This process is a structured planning and reporting process which focuses management's attention on long-term program results as well as short-term program activities. The process integrates the areas of strategic planning, budget and performance planning, and results management. Detailed guidance for implementation of this order is contained in Appendix 2, Integrated Planning and Performance Management Guidelines. Strategic planning includes the development of transition plans for implementation of long-term strategies. These transition plans provide the basis for linkage of strategic planning to policy, budget and performance planning.

leadership to focus organizational resources on future organizational needs. The objective of the strategic planning process is to shape and guide AF's future through assessment of strategic situations and to respond to a common vision by developing goals and objectives which direct organizational resources toward improving performance.

c. **Budget and Performance Planning.** AF's Annual Performance Plan provides the linkage of long-term strategic planning to the justification for annual budget formulation. The Annual Performance Plan defines actions and resources necessary to achieve targeted outcomes. AF's Annual Performance Plan goals and outcome measures support Department of Transportation (DOT) and Federal Aviation Administration (FAA) Strategic Plan and Air Traffic Services (ATS) Performance Plan goals. Replanning activities, to include revision of the initially submitted AF Annual Performance Plan, will occur at the time budgets are approved and executed; i.e., when appropriations are passed by Congress and authorizations are received from the DOT and FAA. The performance planning process ensures that objective measures are established in the performance plans and that performance objectives are linked to the budget process. The AF planning process is linked to other organizational planning processes as shown in Figure 1-1.

FIGURE 1-1. LINKAGE OF AF PLANNING PROCESS TO OTHER ORGANIZATIONAL PLANNING PROCESSES



that AF performance be evaluated through performance reviews and reports to enable decisions to be made about specific work activities, and allow appropriate re-planning as required. Results are shared internally and reported to higher level organizations in the annual AF Performance Report.

e. **Internal Communications.** The AF communication strategy is the exchange of planning and results information at all levels within AF. The expected outcome is improved utilization of resources toward goal accomplishment at all levels of the organization.

6. **RESPONSIBILITIES.** All organizations and teams have the responsibility to communicate information within their area of responsibility in a timely manner. In addition, they are responsible for developing performance measures to ascertain the effectiveness of their information sharing in supporting improved decision making and resource utilization.

a. **The Director of Airway Facilities and the AFMT shall:**

(1) Provide overall direction for AF integrated planning and performance management activities.

(2) Approve the current AF Vision and Strategic Plan and set strategic direction for the AF organization.

(3) Ensure that objective performance measures are developed which are supported by defensible performance results data to enable the evaluation of progress toward achieving the organization's goals. The Results Management Process owner is AAF-1.

b. **AF Strategy Development Team (SDT) shall:**

(1) Lead the AF strategic planning activities.

(2) Task organizations to develop to support strategic goals.

(3) Capture and incorporate views and value-added inputs of AF stakeholders.

c. AF Operational Results Team (ORT) shall:

- (1) Continually manage performance reporting by in-depth analysis of the causes of any deltas in actual vs. expected outcomes.
- (2) Not less than monthly, report to the SDT the status on ongoing work. Summarize these reports in the Annual Performance Report.
- (3) Prioritize (and reprioritize) activities and resource allocations.
- (4) Establish reporting requirements (frequency and content) as required to carry out the AF Annual Performance Plan.
- (5) Ensure that performance planning efforts are responsive to the DOT, FAA, ATS and AAF policies, goals, and strategic plans.
- (6) As necessary, determine and make recommendations, on how future performance should be directed, funded, and monitored.
- (7) Elevate activities that require intervention by AFMT (goals at risk).

d. AF Program Directors and Regional AF Division Managers shall:

- (1) Provide direction and oversight of the AF integrated planning activities in their respective organizations.
- (2) Designate a focal point for the planning process within their organizations to work with the AF Planning Staff (AFPS).
- (3) Establish internal performance management through integrated planning coordination and expected performance outcomes in their respective organizations.
- (4) Provide documentation of their respective organizational program activities including any deltas in actual vs. expected outcomes.

e. **AF Planning Staff shall:**

- (1) Provide staff support to the AFMT, SDT, ORT, headquarters program directors, and AF regional divisions, as directed by AAF-1/2 and the AFMT to ensure that AF organizational planning is accomplished in a consistent manner.
- (2) Develop strategic, performance planning, and results management guidance including guidance on development of effective performance measures. Communicate this guidance through preparation of planning documents, templates, and policy.
- (3) Monitor planning and management efforts of AF organizational elements to assist in assuring their consistency with the agency, ATS, and AF policies, goals, and plans.
- (4) Provide guidance and staff support for the development and publication of the AF Strategic, Transition, and Annual Performance Plans; quarterly reviews; and annual performance reports.
- (5) Prepare briefings for the SDT and ORT to inform the AFMT on the status of AF strategic, transition, and performance planning activities, as well as results management.
- (6) Continuously improve the integrated planning and organizational performance measurement process.

f. **AF Program Directors' and Regional AF Division Managers' Planning Support Staffs shall:**

- (1) Provide support to their respective organizations to ensure that planning is accomplished in a consistent manner.
- (2) Work with the AFPS and function as a focal point for the dissemination of planning process guidance to their respective organizations.

(6) Where applicable, provide staff support to their respective SDT or ORT member, as required.

(7) Continuously improve the implementation of the Integrated Planning Process and the Division's performance measurement process.

7. **AF ANNUAL PERFORMANCE PLAN.** AF will publish a single Annual Performance Plan, created prior to budget year development to support and defend AF resource requirements. The AF Annual Performance Plan will be refined as the budget process evolves, and finalized when funds are distributed for that fiscal year.

8. **AF ANNUAL PERFORMANCE REPORT.** The AFMT, through the ORT, will assess AF work activities through quarterly reviews of progress toward accomplishment of performance goals.

a. Accountabilities will include quarterly reviews, evaluation measures of performance reports, and employee reviews. Performance data will be gathered from existing databases wherever possible. The report shall follow the time period reporting requirements of the GPRA.

b. The process owner for development of the AF Annual Performance Report is the ORT.

9. **RESULTS MANAGEMENT.**

a. The process of AF Results Management is an iterative process of planning, assessing, and replanning. Measurement of performance will be done on a continuous basis, with a roll-up of data from regions and headquarters program directors into a summary of national objectives/goals performance results.

b. The successful execution of results management is accomplished through various analyses and reporting processes. Evaluations are conducted through objective measurement and systematic analysis of AF programs to determine the manner and extent to which intended objectives were achieved.

(3) Monthly status reviews by process owners at AFMT telecon (first of each month) to include a fiscal analysis of costs to date for each reporting area.

10. **PERFORMANCE AGREEMENTS.** Executive leadership is accountable for accomplishment of results through performance agreements. The Director of Airway Facilities is responsible for achieving results through an agreement with the Associate Administrator for Air Traffic Services. Program directors and AF regional division managers are, likewise, accountable for results through their performance agreements with the Director of Airway Facilities. All employees are accountable for results through their performance agreements with their supervisors.

11. **REPORTS.** This paragraph contains the due dates for the various reporting requirements associated with AF Performance Management. It is anticipated these dates will occur as follows:

- a. AF Strategic Plan Review: January and June
- b. AF Annual Performance Agreements with AAF-1: October
- c. AF Performance Report: November
- d. AF Annual Performance Plans
 - (1) Current FY: October (Execution)
 - (2) FY+1: January - September (Revisions)
 - (3) FY+2: December (Formulation)


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Director of Airway Facilities

frame (usually 1 year)

- Links program activities to mission performance goals and outcome measures
- Establishes the mission performance measurement framework
- Links program activities contained in a fiscal year budget request to achievement of performance goals
- Supports the goals generated by the AF Strategic Plan and the ATS Performance Plan

AF Annual Performance Report: Compares annual planned and actual performance of AF work activities (both normal and improvement initiatives). This report includes an explanation of performance shortfalls, a schedule for improvement action addressing performance shortfalls, and an evaluation of the planning process.

AF Management Team (AFMT): The AFMT is the executive-level leadership team responsible for creating the vision of the future state of the organization. The team plans strategies and manages resources associated with implementing activities focused on achieving the desired future state.

AF Planning Staff: A staff of internal consultants providing support to all elements of the AF organization where an integrated planning approach is needed. Located in AAF-3, it serves as the primary focal point within AF for guidance concerning integrated planning.

AF Strategic Plan: A comprehensive document containing the strategic guidance and major resource allocation direction to support the accomplishments of AF's mission, goals, and objectives. Also contains transition plans to support each strategic goal.

ATS Performance Plan: ATS's 3-year plan (updated annually) that establishes performance targets and strategies for meeting these goals and guides ATS's operational decisions.

Budget and Performance Planning: AF's annual integrated planning process, its primary focus is to link annual performance plans with budget submissions.

DOT Strategic Plan: A comprehensive document containing the strategic guidance and major resource allocation direction to support the accomplishment of the DOT's mission, goals, and objectives.

customer satisfaction. It requires agencies to establish specific processes that: enable managers to articulate strategic plans, performance plans, and measurable program objectives, enable managers to base resource and program decisions on performance and results, and require an annual report on performance accomplishment. Under GPRA, agency strategic plans are the starting point for setting annual objectives and the performance measures to achieve those objectives.

Headquarters Program Directors: AF headquarters lines of business (AOS, AOP, ANI, ASR, ANS, AVN, AFZ)

Integrated Planning: Planning process which links resource requirements with performance planning.

Operational Results Team (ORT): The ORT, a subgroup of the AFMT, refines long term objectives into performance goals needed to achieve results during the current fiscal year. Developing these performance goals requires stating the measurable results to be accomplished within the time frame of the performance plan. These statements of measurable results, or conclusions, include the goal or activity to be accomplished and the key results or outcome expected.

Organizational Elements: As used in this order, organizational elements refer to the AF organizations and regional AF divisions.

Outcome Measure: An assessment of the results of a program activity, compared to its intended purpose.

Output Measure: The tabulation, calculation, or recording of activity or effort that can be expressed in a quantitative or qualitative matter.

Performance Agreements: Performance plan for executive leadership.

Performance Goals: Goals which direct the organization's activities related to mission accomplishment and/or improvement initiatives.

Performance Indicator: A particular value or characteristic used to measure outputs or outcomes.

Performance Reporting: The documentation of performance indicators (measurements) established in performance plans relative to the actual performance achieved.

Planning Guidance: Comprehensive documented guidance providing the assumptions, trends, strategies and planning direction on which the AF organization's planning will be based.

Regional AF Division Managers: AXX-400's

Replanning: The activities associated with aligning organizational goals and objectives with actual funding allocated or reprioritizing of goals and objectives based upon new strategic direction, results achieved, or new requirements.

Results Management: Focuses on plan execution and is an ongoing mechanism for comparing actual performance with expected outcomes of the plan (both strategic and performance). Provides for the needed interventions and monitors the achievement of results. It is a continuous and dynamic feedback process.

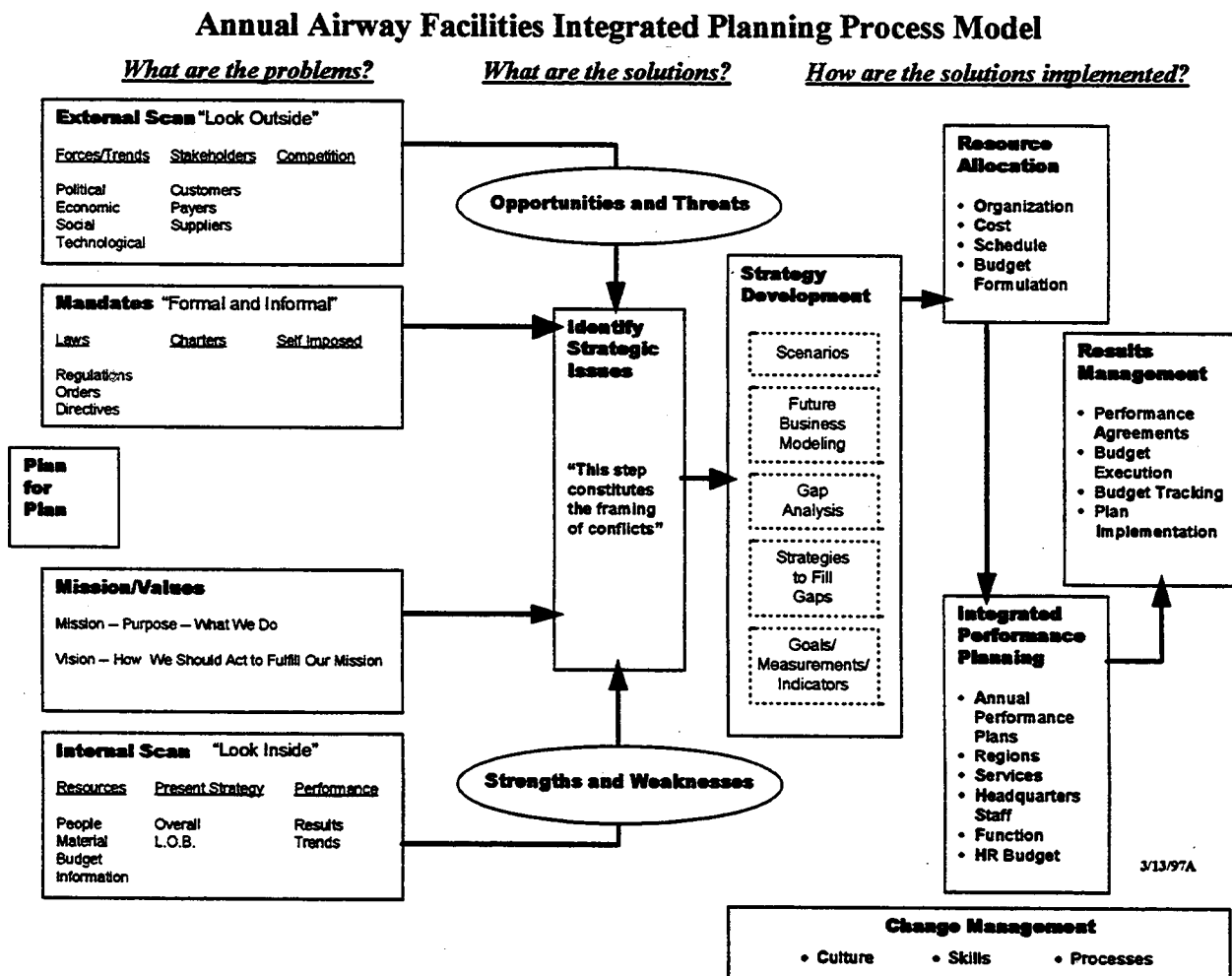
Strategic Planning: A disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it. The guiding members of an organization envision its future, develop procedures and identify performance required to achieve that future. Strategic planning is a broad-based, conceptual, iterative process which

- Defines what an organization will do
- Requires visionary and directional thinking
- Deals with the future in terms of strategy, long-range objectives and actions to accomplish those objectives
- Addresses critical issues facing the organization in the future

Strategy Development Team (SDT): The SDT, a subgroup of the AFMT, is responsible for the development of strategic initiatives, strategies, and long term objectives that shape and guide the AF organization.

Transition Plan: Documentation to support strategic goals which includes projected resources to accomplish goal, timelines and quantifiable results goals.

FIGURE 1-2. ANNUAL AIRWAY FACILITIES INTEGRATED PLANNING PROCESS MODEL



a. Figure 1-2 indicates the idea flow within the integrated planning model.

(1) Ensuring that the planning efforts of all organizational elements are consistent and coordinated.

1. Some benefits of the strategic planning process include:

- (1) Enhanced internal communications through the exchange of planning information.
- (2) A documented vision and future courses of action.
- (3) A means of communicating AF direction and program planning and results to both internal and external stakeholders.

c. Completing the strategic planning process should include considerations such as:

- (1) Does the plan involve top management?
- (2) Is the planning team encouraged to think of innovative and creative solutions?
- (3) Does the planning process actively seek customer and supplier inputs?
- (4) Is the resultant plan visionary and customer focused?
- (5) Are the strategies linked to, and supportive of, higher level objectives?
- (6) Do all members of the organization have access to and understand the vision and strategic direction that is articulated in the plan?

2. **BUDGET AND PERFORMANCE PLANNING.** Performance planning is required at all levels of the AF organization. However, AF publishes a single AF Annual Performance Plan, with AF headquarters organizations and regional AF divisions fully participating in the development of the document. The AF Annual Performance Plan will be submitted in support of budget formulation to justify annual budget requests. Replanning activities, to include revision of the initially submitted AF Annual

(1) **Relevance.** The degree to which the program or project adds value and is responsible, timely, and pertinent to the success of AF operations and improvement initiatives.

(2) **Productivity.** The degree to which the activity yields useful results compared to resources consumed.

(3) **Quality.** The degree to which the activity is considered to be technically and operationally excellent.

b. **Benefits of performance planning include:**

(1) **Focused execution of AF work activities.**

(2) **Ability to identify and react to the need to replan.**

c. **Completing the performance planning process should include such considerations as:**

(1) **Did you consider reference materials for performance planning that are applicable to your organizational level? Will you need any clarification of this information?**

(2) **Do you understand the organization's role or mission that will be measured?**

(3) **Are performance goals current?**

(4) **Do performance goals measure outcomes as well as outputs?**

(5) **Were you selective or are you measuring too much?**

(6) **Are performance expectations challenging and realistic?**

(7) **Is the data available to support your chosen measure?**

(11) Do your strategies for meeting your performance goals make the best use of Government and industry resources, and do they reflect best business practices?

3. **RESULTS MANAGEMENT.** The results management process provides the feedback into AF's integrated planning process and enables AF to make adjustments and program corrections in achieving our mission and strategic improvement goals. Results management is an on-going process for managing for results rather than objectives and includes control systems which are developed to assure the accomplishment or analysis of particular objectives. These control systems include such information as the defined performance indicators, as well as financial accounting structures.

a. Reporting requirements should be brief, comparing actual quantitative results with the targets and explaining any shortfalls. Reporting documentation should include the following:

(1) **Core Strategy.** Description of FAA/ATS/AF strategic goal which this outcome supports.

(2) **Performance Objective.** The statement of desired results for your organization or activity from the AF Annual Performance Plan.

(3) **Performance Measure.** The quantitative method for characterizing performance (input, output or outcome measure).

(4) **Performance Target.** The desired target level of performance for each measure.

(5) **Performance Result.** The actual performance level for each measure (output, outcome, and impact).

(6) **Financial Accounting.** The costs associated with completing the activity versus the planned expenditure.

(2) What methods will you use to verify results? Are the costs prohibitive?

(3) If performance fell short of expectations, do you know why?

(4) If you continually meet or exceed your performance expectations, do they need to be more challenging?

(5) Have you evaluated your measurement system for possible misinterpretations?

(6) When do you plan to reexamine and reassess your performance measurement system?

(7) How will you provide aggregated performance measurement results to other parts of the AF organization?

(8) Does more than one AF organization ask for the same performance information in another format? If so, have you raised the issue with those organizations?

4. **ADDITIONAL GUIDANCE.** Additional guidance such as processes and procedures will be developed as needed to enhance planning efforts and will be incorporated within this Order.

